

JUDGE KOELTL

08 CV 03445

UNITED STATES DISTRICT COURT  
FOR THE  
SOUTHERN DISTRICT OF NEW YORK

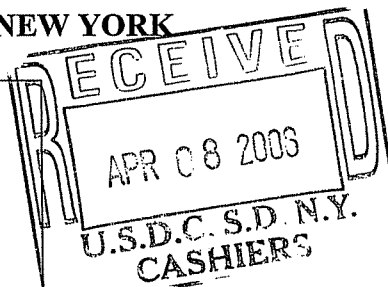
ROYAL INDIAN RAJ  
INTERNATIONAL CORPORATION,  
a Nevada corporation

Plaintiff,

- against -

DOMAINS BY PROXY, INC.,  
an Arizona corporation,  
WESTHOST INC.,  
a Utah corporation,  
BILL ZACK,  
a Georgia resident,  
and  
JOHN DOES 1-10, being fictitious names,  
the true names of certain persons being unknown,

Defendants.



Case No. \_\_\_\_\_

**COMPLAINT**

Plaintiff Royal Indian Raj International Corporation, ("RIRIC"), by its undersigned counsel, complaining of the defendants, alleges as follows:

**PARTIES**

1. RIRIC is a corporation duly existing under and by virtue of the laws of the State of Nevada, with a principal place of business at Suite 610, 375 Water Street, Vancouver BC, Canada.
2. Defendant Domains by Proxy, Inc. ("Proxy") is, upon information and belief, an Arizona corporation with its principal place of business at 14455 N. Hayden Rd., Suite 219, Scottsdale, Arizona.
3. Upon information and belief, Proxy is an Internet company that offers domain privacy services through partner domain registrars.

4. Upon information and belief, Proxy is engaged in interstate commerce and provides services to customers in all States, including specifically New York.

5. Defendant WestHost Inc. ("WestHost") is, upon information and belief, a Utah corporation with its principal place of business at 164 N. Spring Creek Parkway, Providence, Utah.

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6. Upon information and belief, WestHost is a web hosting company.

7. Upon information and belief, WestHost is engaged in interstate commerce and provides services to customers in all States, including specifically New York.

8. Defendant Bill Zack is a real person and resident of the State of Georgia.

9. John Does 1-10 are real persons whose true identities are unknown.

#### **JURISDICTION AND VENUE**

10. This court has jurisdiction pursuant to 28 U.S.C. § 1332(a)(1).

11. Venue is proper in this district pursuant to 28 U.S.C. § 1391(a)(3).

#### **FACTS**

12. RIRIC is a company that develops land in India for residential and commercial use.

13. Having been accorded overseas corporate body status by the Indian government, RIRIC is currently developing the Royal Garden Villas & Resort in Bangalore, a project involving the construction of 225 to 300 residential housing units in the first phase, to be completed in 2010, plus a hotel and an additional approximately 200,000 square feet of commercial and retail space.

14. RIRIC has current investors, as well as potential investors, and current business partners, as well as potential business partners, nationwide, including specifically in New York State.

15. Defendant Zack is a former employee of RIRIC.

16. Zack's employment by RIRIC ended inimically.

17. Upon information and belief, defendant Zack and John Does 1-10 are the owners and operators of a Web site (the "Web site") at <http://www.royalindianscam.com> (the "URL").

18. The URL is registered to Proxy.

19. Upon information and belief, Zack is the true registrant of the URL, via Proxy.

20. Upon information and belief, Zack registered the URL via Proxy specifically in order to keep secret his identity as the author and publisher of the content on the Web site.

21. The content of the Web site refers to information, some of it misstated, that would be known only by employees or former employees of RIRIC.

22. The Web site is hosted by WebHost.

23. Heretofore and continuing to date, the content of the Web site was and is as follows, in pertinent part, as of April 8, 2008 (underlining added):

On the page titled "HOME"...

**Welcome to Royal Indian Scam, the site that exposes Royal Indian Raj International Corporation and its business practices!**

**Royal Indian Raj makes headlines!**

Vancouver Sun columnist David Baines has been tracking Royal Indian Raj's activities for years. His latest column, published on Saturday, April 5, 2008, is featured in **RIRIC In The News**. Another column by Mr. Baines on Royal Indian Raj is featured in **RIRIC In The News Again**.

**Brief overview**

Royal Indian Raj International Corporation was incorporated in Nevada in 1999 and is based in Vancouver, Canada. It was founded by the father & son team of Collins and Manoj Benjamin, who promised investors that the company "intends to be India's market leader in providing state-of-the-art, multi-use development projects in India."

#### **Investors & Customers**

Unfortunately for the 300-400 investors who bought into the concept of the company as "the premier builder of quality real estate developments" in India, as well as the 100+ customers who have paid down payments on homes at Royal Indian Raj's first "property", the Benjamins have not built anything to date.

#### **Buyer Beware!**

RIRIC enticed investors for years by claiming the largest private land library in India. As it turned out, the company owns 17 acres outside Bangalore, India.

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RIRIC also enticed investors by claiming that it was targeting five critical business sectors in India. In fact, the company has done nothing in any area. No road building, no e-commerce, no broadband communications, no theme parks, and certainly no real estate development.

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On the page titled "RIRIC'S PRESS RELEASES"...

#### **Truth in advertising**

RIRIC has effectively used press releases to build its "international" image. Two such releases involved the announcement of a \$547 million equity line of credit from GEM (Global Emerging Markets) of New York. **Fact:** RIRIC neglected to mention that it can't access the line of credit without first becoming a publicly-traded company.

RIRIC also issued the Greenwich Group release to great fanfare in 2005. Greenwich Group is a New York-based global real estate investment banking firm that agreed to help RIRIC secure \$1 billion in financing. **Fact:** After visiting RIRIC's 17 acres, Greenwich Group quietly withdrew.

RIRIC's latest "coup" involved signing with Choice Hotels to build 15,000 budget hotel rooms across India. As part of the agreement, RIRIC would invest nearly \$4 billion over the next five years. **Fact:** The company hasn't delivered a single acre of development since incorporating in 1999.

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On the page titled "PUBLIC ENTRANCE SHAM"...

#### **Where's the public entrance?**

RIRIC has been promising its investors for years that its public entrance is just around the corner. Yet, each time a proposed date arrives, the company moves it forward again. Will RIRIC ever go public?

#### **Where's the construction?**

Royal Indian Raj's first "development" is Royal Garden Villas on those same 17 acres outside Bangalore. The company boasts on its web site that the project is "85% sold out." Unfortunately, monies from customers have not been placed in an escrow account.

Also, to build a Jack Nicklaus golf course, Royal Indian Raj will need 160-200 acres. It owns 17 acres.

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On the page titled "WHERE'S THE LAND?"...

**The land**

Through the years RIRIC has never owned more than 17 acres of land. RIRIC has signed agreements with landowners to buy land, but never followed through with the purchase. The company has also signed MOU's (Memo of Understanding) with a variety of companies around the globe. RIRIC then promotes its "alliance" with the international "partner" on its web sites and marketing literature.

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On the page titled "RIRIC IN THE NEWS"...

**Royal Indian Raj in the headlines!**

Here is the latest column on Royal Indian Raj by Vancouver Sun columnist David Baines, who has been tracking the company's activities for years.

**Company promises much, delivers little**

**David Baines, Vancouver Sun**

**Published: Saturday, April 5, 2008**

The grandly named Royal Indian Raj International Corp. occupies luxurious offices on the sixth floor of The Landing in Gastown, overlooking Vancouver harbour.

The reception area is furnished with gilded Italian furniture. On a feature wall, softly washed in light, is the company's crest, along with the names of four cities where the company ostensibly operates: "New York, London, Vancouver, Bangalore."

Also adorning the walls are framed copies of articles about the company and its chairman and CEO, Manoj Benjamin: "Vancouver Tycoon to Build Asian City," says the headline on one of the stories, written by the Asian Pacific Post.

Published in October 2004, the article reported that Royal Indian Raj was set to build a \$3-billion "smart city" near the Bangalore airport.

The project, to commence in early 2005, would include 35,000 residential units, a central business district, an industrial district, an entertainment district, parks, restaurants, shopping, educational facilities and civic amenities, with a combined retail value of more than \$9 billion US when completed in 2015.

"Our goal is to develop the New India, modernizing housing and businesses and realizing a self-sustaining city of the future for this country and its inhabitants," Benjamin told the newspaper.

The company's reception area also contains a prominently displayed poster celebrating the first component of that city, the Royal Garden Villas & Resort: "Vijay Amritraj and Jack Nicklaus welcome you to India's most exclusive resort community," the poster states, referring to India's most famous tennis player and one of America's most famous golfers.

All told, Royal Indian Raj's office is the picture of affluence. But so far, that's all it is -- a picture.

There are no offices in New York and London, at least none that are listed. If they do exist, the receptionist in Vancouver refuses to provide their addresses or telephone numbers: "We don't give out any information. Absolutely not," she says.

Although more than three years have passed since the scheduled ground-breaking, nothing has been built. Investors, which include a string of Major League Baseball players, are getting restless. Two have filed lawsuits in B.C. Supreme Court.

Also, Vijay Amritraj is not quite as welcoming as the poster would suggest. More than a year ago, after making several appearances on behalf of Royal Indian Raj, he disassociated himself from the company.

"I want to go on record as saying I have no connection with this group," he told the Times of India in July 2007. "Since January [2007], I have communicated my decision several times, but they [Royal Indian Raj officials] still continue to feature me on their website. I find it tough to face questions on the progress of the project from committed customers whom I meet at airports and restaurants. This has put me in a bad light."

On the page titled "RIRIC IN THE NEWS AGAIN"...

**RIRIC in the news, again!**

**From the Vancouver Sun**

**Impressive news release probably about as far as this lotto scheme will get**

**A bafflegab-prone Vancouver company is at it again**

**By David Baines**

**Vancouver Sun Columnist**

**Published March 28, 2007**

Royal Indian Raj International Corp. has a very grandiose name and issues very grandiose press releases, but its real purpose has always baffled me.

Consider this corporate summary: "Royal Indian Raj International Corporation, with offices in Vancouver, London, and Bangalore, India,



maintains a country-specific, five-sector heavy infrastructure orientation, focused on the free world's largest emerging market, India. The company's goal is to develop the New India by modernizing housing and businesses and realizing self-sustaining cities of the future."

According to chairman and CEO Manoj Benjamin of Vancouver, the company is now selling the first phase of an \$8-billion to \$10-billion US real estate development in Bangalore.

The project, according to Benjamin, is being financed by a \$547-million US line of credit provided by the GEM Group in New York.

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Unfortunately, the company is private and does not provide any audited financial statements to confirm its financial position.

According to internal documents that I have obtained, the company relies on funding from many small investors and lives a hand-to-mouth existence, often scrambling to pay its bills.

The company also issues many news releases that serve no purpose other than to impress people who might be easily impressed.

On Monday, for example, Benjamin announced the company had "engaged the prestigious law firm of Greenberg Traurig as its lead counsel for all of its Real Estate Operations, Land Development, Hotel, Resort and Club Operations, Corporate and Securities Compliance, Franchise Operations, Entertainment and Project and Infrastructure Finance needs." (Benjamin loves to capitalize words).

But I'm not sure how all this pomp and circumstance squares with Benjamin's announcement on Feb. 28 that Royal Indian Raj had acquired a 10-per-cent interest in Global Lottery Corp., a Vancouver company that trades on the lowly pink sheets in the United States.

"While our core business is large scale Residential, Commercial and Institutional development, we decided to invest in the Lottery Business through Global, enabling us to be in a position to ultimately bid on the national lottery for India," he explained in a release.

Neither he nor Gary Newman, the president of Global Lottery, would say how much Royal Indian Raj paid for this 10-per-cent interest.

Newman said Royal Indian Raj has extended \$250 million US of its \$547 million US line of credit to his company to finance the development of government-approved lotteries. But this will be difficult to confirm. Global Lottery – like most pink sheet companies – does not produce any audited financial statements.

Newman allowed that Global Lottery is not currently running any lotteries or generating any revenues, but he said the company will announce next month that it has secured two "major" government lotteries.

He agreed that, because he had not previously disclosed these pending deals, he was probably providing me with inside information. "I didn't mean to, but I probably am," he said.

I would normally say that Newman has landed himself in a heap of trouble, but I think the chances of these "major" deals amounting to anything are virtually non-existent and the whole thing will fade into obscurity.

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On the page titled "ABOUT US"...

**Fair Business Practices**

We are a group of investors who feel victimized by Royal Indian Raj International Corporation. We are promoters of fair business practices. We plan to continue exposing the company's business practices. We will not stop until Royal Indian Raj makes good on its real estate development promises in India or returns all monies to its investors and customers.

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**AS AND FOR A FIRST CAUSE OF ACTION  
INJURIOUS FALSEHOOD**

24. The defendants intentionally published the foregoing Web site content, which contains false information, maliciously or with reckless disregard for truth or falsity.

25. The portions underlined in particular contain false information, but nonetheless the content as a whole presents RIRIC in a false light.

26. The defendants' acts have held RIRIC up to public contempt, ridicule, disgrace, and prejudice, and RIRIC has consequently been irreparably injured in its good name, business reputation, and standing and has lost the esteem and respect of its business associates, potential investors, customers, and trade partners and of the public generally, internationally, nationally, and in New York State in particular.

27. By reason of the foregoing, RIRIC has suffered damages in an amount to be determined upon the trial of this action.



**AS AND FOR A SECOND CAUSE OF ACTION  
TORTIOUS INTERFERENCE WITH PROSPECTIVE CONTRACTUAL RELATIONS**

28. RIRIC repeats and realleges the allegations in paragraphs 1-27 above as if set forth fully hereat.

29. RIRIC is actively soliciting business customers and investors, through its own online presence and otherwise.

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30. Upon information and belief, the defendants, having knowledge of RIRIC's prospective business relationships, intentionally interfered with them through the Web site and the content published thereon.

31. Upon information and belief, the defendants acted as hereinbefore described with the sole purpose of harming RIRIC or, failing that level of malice, used dishonest, unfair, or improper means to cause injury to RIRIC's prospective business relationships internationally, and nationally, including in New York State specifically.

32. By reason of the foregoing, RIRIC has suffered damages in an amount to be determined upon the trial of this action.

**WHEREFORE**, the plaintiff prays for a judgment:

- a. enjoining permanently the defendants, their agents, successors, employees, attorneys, and those acting in concert with them at their discretion from continuing to publish the content of the Web site in any form or manner;
- b. awarding to the plaintiff damages in an amount to be determined at trial;
- c. awarding to the plaintiff punitive damages;
- d. awarding the plaintiff reasonable attorney's fees and the costs of this action; and

e. granting such other and further relief as may be proper.

Dated: New York, New York  
April 8, 2008

EINBINDER & DUNN, LLP

By: 

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Matthew David Brozik (MB-6026)

Michael Einbinder (ME-3930)

*Counsel for Plaintiff*

104 West 40<sup>th</sup> Street

New York, New York 10018

Telephone: (212) 391-9500

Facsimile: (212) 391-9025